

[Grady Weldon]

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(Approximately 5600 words SOUTH CAROLINA WRITERS' PROJECT

LIFE HISTORY

TITLE: HOW GRADY WELDON CAME TO BE IN THE
INSURANCE ADJUSTING BUSINESS.

Date of First Writing January 20, 1939

Name of Person Interviewed Anonymous

Fictitious Name Grady Weldon

Street Address Liberty Life Building

Place Columbia, S. C.

Occupation Insurance Adjuster

Name of Writer John P. Farmer

Name of Reviser State Office

Grady [Weldon?] is an insurance adjuster. From all parts of the State, companies representing the many lines of insurance call for his services in settling claims for losses covered by their policies. It is a work which exacts the full powers of mental and personal resources; for the adjustments must satisfy both parties to the contract, the assured as

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well as the company, whose notions of fairness are often at sharp variance. Grady Weldon likes the work, however, and is happy that turns of circumstances thrust him into this field. [?]. 10. S. C. Box, 2.

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"He is not at first impressive. He is a little above average height and weighs around one hundred sixty pounds. His face, thin and pointed and with a receding chin, is dark; his eyes and hair are brown. Nothing prepossessing until he warmed up to his story. Then hidden magnetism began to express itself in his eyes, in his low vibrant voice, and in the persuasive force of his smooth and clear-cut English. Then I got the impression of a man who met issues with self-control, who could take it on the chin, if need be, and who could take issue with one and make him like it.

"Thinking of what has gone into the make-up of my life is rather like digging up bones of the dead," he commented musingly. "You might call it self-made, if persistent fighting to keep afloat and finally reach a harbor means that. As I see it now, though, Providence has been kind in it all. For every thrust backward or downward has been followed by one forward and upward.

"I was the first of three children, my father died when I was about eight. He was employed in the Columbia Post Office at the time. About all that was left for Mother was a small amount of insurance. She paid the funeral expenses out of this and used the balance to buy a house in Savannah, where she was reared. Mother had no profession, and her family was unable to help us financially. So, as a means of livelihood, she opened a boarding house.

"I went to school all during this period, but even then I had a job, a paper route. In the morning before going to school, I delivered the Savannah Morning News. In the afternoons, I would sell the Savannah Press. I was quite a business man in those days.

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When I was about twelve, I acquired the sub-agency for the 'Grit,' a weekly paper. All this added to the income of the family.

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"About the time I was thirteen, Mother gave up the boarding house business and secured work as a nurse. She could make as much money nursing as she could running a boarding house, and without the worry and expense it entailed. Times were bad for us, so far as money counted. Only the good management on the part of my mother, I think, kept us from being raised in some orphan home. Thank goodness, we didn't have to resort to that.

"Soon after my mother started nursing, I got my first real job, one with a regular salary. I went to work for the Seaboard Railroad, as a messenger boy. This necessitated my leaving school while in the seventh grade. My work was carrying messages and mail from office to office, and it kept me hopping from eight in the morning until six at night. My salary was forty dollars per month, a lot for a kid in those days.

"During my spare time around the offices, I was allowed to do minor clerical work for the experience. When I was about sixteen, I was given a chance to try a clerical job in the superintendent's office, on which I made good. This paid eighty-five dollars per month. I can still recall how elated we were when this happened. We could see all our troubles becoming a thing of the past.

"In 1916, my mother married again, and that relieved me of the responsibility of caring for the younger children. I attended business college at night, and, after completing the course, I secured a higher paid job with the railroad, a hundred twenty-five per month. Times were good along then. The war had caused the railroads to have more business than they could take care of, and my stepfather was making good money in the ice and coal business. It seemed that Providence had smiled on my entire family.

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"Boy-like, tho', I resented the idea of a stepfather, and we never 4 got along so well. There was no good reason for my attitude. He was as kind and good to all of us as he could be. I suppose it was because I felt that the obligation, with the importance it gave me, was mine; and now that he had lifted it from me, I subconsciously resented it, along with any advice he might give.

"When the United States declared war, in 1917, I was one of the first to enlist. I was large for my age, but even then I had to obtain the permission of my mother, because I was under eighteen. I enlisted in the Navy in April, 1917, for the duration of the war. I was sent immediately to the Naval Training Station at Charleston, South Carolina, and stayed there nearly three months. Like all enlisted youngsters, I was the source of lots of amusement for the older men. I was very gullible, and, being new, I wanted to learn everything I could. I was sent on numerous special errands, such as I going after the keys to the parade grounds,' 'getting red oil for the red lamps,' and things like that. The first initiation happened the first night after my arrival. We had to sleep in hammocks that were strung up nearly six feet off the barracks' floor. We were instructed to swing our hammocks for inspection several hours before we occupied them. Well, every new man experienced 'hitting the deck' by having his hammock lashings cut to the point where they would give way just about the time he would get settled for sleep.

"When we first arrived in training, our waking hours were filled with military drills of all kinds. This was mainly to attain physical fitness. After we had been in training some three weeks or so, and had been shot in the arm with every kind of serum imaginable, we were detailed to various types of schooling for which we seemed to be fitted. I was detailed to the signal quartermaster's school. We were taught all types of signaling, such as semaphore, flag hoists, blinker and searchlight codes, and seamanship.

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If you passed the examinations given at the end of the term, you were automatically rated as signal quartermaster, third class, then assigned to sea duty.

“My first sea duty was right in Charleston Harbor. I was assigned to a converted yacht, the U.S.S. Reposo, used in patrol service out of Charleston, where I stayed six weeks. On leaving there, I went to the League Island Navy Yard Receiving Ship, at Philadelphia, where I was assigned to foreign service. After about ten days there, I was sent to the U.S.S. Denver, an old Spanish-American war cruiser that had been re-commissioned for service during the war. Our duty was escorting convoys of troops to England and France. I made sixteen trips on this ship. The smallest number of vessels we ever took over was nine; the largest, one hundred sixteen. This large convoy was accompanied by several battleships and destroyers, besides my ship.

“Out of the sixteen trips, we only landed five times on the other side. We would usually take the convoys to what was known as the 'war zone.' They were picked up at this point by escorts that were stationed in European waters. Then we would turn around and come back. This is where our hardships came in.

“Our ship was so antiquated we didn't have room to carry enough coal and supplies for the round trip. All sorts of things were piled in every available space. We would have coal piled in temporary bins on the decks. No lights were permitted at night because of the danger of attracting submarines, and we would have to climb over this coal, going to and from our various duties. Water was rationed out, one bucket to each man a day. It was impossible to keep clean. Most of the time it was bitter cold, and I have had my hands to stay cracked open from the cold and exposure for weeks, with coal dust so caked in them that it seemed impossible to get it out.

“I was promoted right along. Every time it was possible to stand an examination, I was right there. After being on the Denver about eight months, I was promoted to Chief Signal

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Quartermaster, in charge of the signal department of the ship. This promotion gave me better quarters than most of the enlisted men, and I fared better in other ways.

"In October, 1918, a severe case of tonsillitis caused me to be removed to the naval hospital at Brooklyn Navy Yard. After recovering, I was placed on call there. About that time, a new battleship, the U.S.S. Idaho, was completed at Camden, N. J., and I was assigned to her as Chief Signal Quartermaster. She was the most modern battleship afloat at the time and had a crew of over fourteen hundred men.

"The armistice had been signed by then, and our maiden cruise was to Central and South America. After the completion of this cruise, we returned to New York. In July, 1919, we went to the West Coast, along with over a hundred ships of the Atlantic Fleet. This was the most enjoyable trip I made the whole time I was in the Navy. Our first stop, after leaving New York, was Colon Panama, the Atlantic entrance to the Canal. We stayed there about a week. Of course, shore leave was permitted, and we took trips to the surrounding places. Inland, a distance of five or six miles, is Gatun Lake, one of the most beautiful places imaginable. It was a mecca for the sailors on leave.

"One very interesting thing was called to our attention while going through the Canal to Balboa, the Pacific entrance. The only time many ships ever sailed in fresh water was when they passed through the Canal, where some of the locks are supplied with fresh water from Gatun Lake.

"Balboa is the port of Panama City, and there were many places of interest to visit. The old Spanish quarters seemed as 'Old World' as Spain itself. The contrast of the modern buildings of the Canal Zone set the colorful beauty of old Spain into a picture that seemed beyond 7 description.

"After leaving Balboa, we leisurely made our way up the west coast of Central America, stopping in Costa Rica, Nicaragua, and Honduras, then on to San Francisco. After

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anchoring in the harbor there for several days, we went on up to the Mare Island Navy Yard, at Vallejo, California, a distance [?] thirty miles above San Francisco.

"I was discharged from the Navy out there with my transportation paid back to Savannah, where I enlisted. I would have enlisted all over again if it had been possible to retain the rating of Chief Signal Quartermaster. Since it had been a war time rating, it was necessary for me to re-enlist at a lower rate and work up to it again. Several times during the next few years, I regretted not staying right there in the Navy.

"All of the travel while in the Navy was an education within itself. I have always been thankful for the experience.

"After the discharge, I visited all the points of interest in California. From Los Angeles, I went back up through the Yellowstone National Park, and then on back to Savannah, by way of Chicago. All were places I had never been before.

"Everything was in terrible shape when I got home. My old job with the railroad had been filled, of course, by somebody else. Times were hard with the railroads, and there were no prospects of anything opening up soon. Not knowing anything but railroad work and work at sea, I started looking for a job on a ship. I didn't want to re-enlist in the Navy, tying myself up for four long years. So I secured a job on a Straughan Shipping Company boat, the Floridian, out of Savannah. My Naval discharge gave me a decided advantage in securing this type of work. My job was quartermaster, which consisted of steering the ship, assisting the navigator, and, in port, acting as clerk in checking cargo. We had a 8 regular schedule. We would load naval stores and citrous fruit in Jacksonville, taking the citrous fruit direct to London. All this citrous fruit was under refrigeration and had to be carried on schedule. A small part of our naval stores was unloaded at London, but the major portion was taken to Rotterdam and Hamburg. We would take on ballast at Antwerp for our return trip. This was a regular thing. We make a round trip every forty-five days. I stayed on this ship for over a year.

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"My application had been in the office of the company for some sort of clerical work. Upon leaving the ship, I secured a job in their office as billing clerk. In 1923, I secured a better job with the Ocean Steamship Company, a job as statistician. All during the time I was in the Navy, and working for Straughan, I was taking correspondence courses, trying to complete my education. One of the courses was accountancy. This fitted me for the job with the Ocean Steamship Company.

"After about two years of 'figures,' I decided I had enough of them. The urge to travel was so great I became dissatisfied. I was tired of going to the same office every morning, seeing the same people and the same row of figures. I heeded the 'wanderlust spirit,' heading for Florida to investigate the marvelous money-making opportunities we were hearing about daily.

"Every one knows what Florida was during the 'boom.' Everybody was making money. The very first day I arrived in Miami, I got a job selling real estate. It was really funny. There I was, without a day's experience selling anything, and making more money than I ever dreamed of making. All in the world I had was a small map, blocked off in lots, and a price list. It wasn't a matter of having to look for prospects. The trouble was not having time to fool with all of them.

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"To give you an idea of how anxious people were to buy, I have known people, when tracts of land were advertised to be put on the market, to stand in line forty-eight hours in order to buy the most desirable lots.

"Everybody believed the good times would last. And I could picture myself becoming a Croesus over night. So I started investing everything I made into real estate. It is still there.

"After everything hit the bottom, I ran down a job in a local insurance office there in Miami. At last I had hit my vocation. The company I was with represented several large insurance

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companies, and it was just a matter of time until I met their several representatives. I got to handling small losses that would originate in our office. When the hurricane came along in 1926, everybody that had any idea of adjusting losses was pressed into service. My work proved satisfactory in adjusting these claims. So I had no trouble in making a connection with an independent adjusting service in Miami. Things seemed to be on the up-grade again. I was doing well.

“Then along came a small depression, in 1926, that curtailed our income. But that didn't worry me. I took a leave of absence from the company and went to New York, with the idea of making a more favorable connection, a direct one with some large company. I was unable to get on adjusting, but I did secure a position in the underwriting department of one of the larger companies.

“In 1930, times were getting terrible in New York. Though I believed I could hold my job, I started getting uneasy and decided to get back into the adjusting end of the business. I had secured a very broad experience, so I decided that I was well fitted to handle any situation that might come up.

“I returned to Savannah. It looked as though the further South I came, the worse conditions were. Finally I secured a position as manager of the 10 insurance department of a local bank in Asheville, North Carolina. This lasted exactly four months. I think every bank in Western North Carolina closed in the fall of 1930. Well, there I was, on practically the same footing as when I came out of the Navy, except for experience. I wasn't particularly worried, though. I had several hundred dollars saved and felt sure it would only be a matter of a few weeks before I would make another connection. But it was over a year.

This was the worst period of my life, I believe. I felt the inclination to give up. With each former move, there had come improved standards of living, intellectual as well as material. I had taken correspondence courses and had done my best to master the matter and

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methods of my new work. It all seemed wasted. The more I tried to find an opening in my field, the harder it seemed to find one.

"I went back to Savannah to visit my people. My stepfather had failed in business, and they were in worse shape than I was. After failing to get anything regular to do, I started working at anything extra I could get. Some insurance offices would need extra help at the ends of the month to get out statements. It was work any office boy or stenographer could do, but I was glad to get it. I even clerked in grocery stores on Saturday, anything to keep busy.

"In order to have something definite to depend on, I secured a job once more on one of Straughan Shipping Company's boats, making two trips to Europe. But I had applications everywhere with insurance connections, and, after the second trip, I had word from a friend of mine, stating there was an opening in the insurance department of the National Loan and Exchange Bank here in Columbia. I was fortunate enough to secure this connection and stayed with the bank until the bank holiday in March, 1933. The old 11 bank never re-opened, and there I was, out of work again.

"After the bank holiday, the Federal Government entered the banking picture with 'bank deposit insurance' on all accounts up to five thousand dollars. Before this, most of the larger banks had a bond and insurance department. The insurance department was used both as a profit-making proposition and a service to the trust department, insuring all properties held in trust. Due to some Government regulation, these two departments were eliminated from all banks covered by this deposit insurance, and the bank's customers were serviced by outside bond companies and local insurance agencies. I knew all the customers of the insurance department of the bank. So with the permission of the insurance companies and the receiver of the old bank, I went into the local insurance agency business for myself, without any capital.

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"During the time I was working for the bank, I met the young lady who is now my wife. After going together for a little over a year, we were married in 1932.

"The situation I was in was almost impossible. Competition was bad, and, with no capital, it was next to impossible to do any good with the business. Business conditions necessitated credit being extended to many of my customers. Because I couldn't finance the accounts, I lost them. I tried to make all sorts of arrangements in an effort to make a go of the insurance business. I had an arrangement with the Receivership of the old bank whereby I got a commission on the collection of the old accounts receivable due them. At the sale time, I was out trying to drum up enough new business to get by on. At night, I would keep my books and do what office work was necessary.

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"Things became too tough for me to stay in business without capital. I started looking around for something to do, where I could make some money without worrying myself to death. Sometimes I would barely make house rent.

"In the fall of 1932, I was offered a job with the General Exchange Insurance Corporation, the insurance company of General Motors, as an adjuster. I was sent to Raleigh, North Carolina.

"Adjusting losses for this company is different from that of any other insurance company. This is because they only insure products made and sold by General Motors and financed through General Motors Acceptance Corporation. It is entirely a service organization. Practically all the adjustments are on automobile losses, and, because of this, it is a highly specialized field, special training being required.

"After being in Raleigh for about a month, doing nothing but reviewing files, I was sent to Pontiac and Detroit, Michigan. There I was given special instructions in the assembling of all General Motors cars. It was quite a school. We had the actual experience of having

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to don overalls and do the work ourselves. After a month of this, we had examinations to stand. Fortunately, I was able to pass the required tests. I was termed a 'qualified automobile adjuster' and sent back to Raleigh.

"After working out of Raleigh for several months, I was assigned to the Eastern North Carolina territory, with headquarters in Kinston, North Carolina. Here I was in charge of all territory east of Goldsboro. Because of the great amount of territory and a very heavy claim burden, I was kept busy twelve and fourteen hours a day.

"I have often wondered what the company had against me, to stick me 13 down in that section. After learning the inner details of the organization, I found that Eastern North Carolina was the place all adjusters avoided like the plague. It was recognized, along with the coast of Maryland, as the greatest fire problem on automobiles in the United States. A very high percentage of all losses reported was fire losses, and a great many of them were arson. I suppose they put me down there because of my former experience, but, at times, it was mighty disheartening.

"A year there produced a nice curtailment record of fires for me. I was transferred to Bristol, Virginia. When I was notified of this transfer, I was tickled to death. This condition existed until we arrived in Bristol. An adjuster judges the place he lives by the type people he comes in contact with and the roads he has to travel on, also by the type claims that are prevalent. All the territory around Bristol is mountainous, and in the winter months a great many of the roads are practically impassable. I hit there when the weather was at its worst, and I never did get to where I liked the section of the country.

"I finally got a good break. Just about the time I thought I wouldn't be able to stand Bristol any longer, I was transferred to Louisville, Kentucky. We liked it there very much, but, as it is with all big companies, just about the time I met a few people, I was transferred again. Both my wife and I were getting 'fed up' with the idea of not knowing where we were going to live from one day to the next. It was mighty hard on her with a small child,

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having to move every time we got settled good. I had several offers from other companies while working with the General Exchange Insurance Corporation, and, in 1935, when this transfer was to be effective from Louisville, I accepted a connection with the Fire Company's Adjustment Bureau, in Charlotte, North Carolina. There were several reasons for this change.

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I wanted to get back to handling all lines of adjustments. It paid more money, and there wasn't so much moving about. Being located in Charlotte was another inducement. It was so near Columbia.

"I worked in Charlotte until the first of 1937, when I was sent back to Louisville for emergency work during the big flood out there. And after things became normal, they wanted to transfer me there permanently. I then decided to go in business for myself, rather than move my family that far from home again. I opened an office in Greenville, after securing several nice finance company accounts, which I am still servicing. I have been getting along fine since I made the decision to go on my own.

"On January 1, [1938?], I moved my office to Columbia, in order to be more centrally located. I service all sections of the State for the companies I represent, and living in Columbia allows me to get home more at night.

"To me, adjusting losses is a very fascinating job. Every loss has a different angle. Each person you contact has a different point of view. I have always taken the attitude that every lose reported to me was an honest one, until proven otherwise. Of course, there are lots of times when people are honest in their convictions and think they have suffered a legitimate lose, and after you make the investigation you find they have no coverage. It is the job of the adjuster to explain things in such a way that he won't think he's taken advantage of by the insurance company. It's really a job to do this at times, and, of course, it's impossible in some cases.

"So many people don't realize that any legitimate insurance company wants to pay every penny of any just claim. If losses did not occur, there would be no need to carry insurance. Every loss payment handled diplomatically is an advertisement for the company.

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"I have handled quite a few fraudulent claims in my time, all types. some of them have been quite serious, and others have been quite amusing. One of the tricks in crooked claims is to report a loss, and, when the adjuster, after his investigation, makes the contact with the assured to explain that he has no coverage, the assured usually becomes very abusive in an effort to get the adjuster to resent it before witnesses, who are usually some of his friends there for that purpose. If you fall for it, the next thing you know you are in court, being sued for some un-heard-of damage. I have been pretty lucky; I've never been caught like that.

"One of the most amusing things happened in Greenville, North Carolina, while I was with General Motors. One day while adjusting a wrecked car in the service department of one of the local automobile dealers, a man came running into the back, all out of breath, with his insurance policy in his hand. He rushed up to the service manager and went into detail about how his car caught afire on his way to town and how he just managed to get out in time to keep from being burned to death. He didn't know who I was, and, after I learned his name, I immediately checked, by telephone, his account with the finance company. I learned that he was way behind on his payments and that they were going to take his car away from him in a day or two if the account wasn't brought up to date. This only took a few moments. When I went back to the service department, he was still there, talking his head off. The more he talked, the more suspicious I became. Although I was in the middle of another loss case, I dropped everything to make an investigation of this one. I introduced myself as the adjuster for his loss and suggested that the assured, along with the dealer, go out to the scene of the fire. All the way out, this man kept telling me what a

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fine 16 car he had and what repairs had just been completed, trying of course to establish a high value.

“The assured lived a distance of about nine miles from town, off the main highway about a mile. The road leading to his home divided his field, and it was on this road that the loss was alleged to have occurred. By the time we turned off the pavement, we started looking for the smoke. Every turn we made in the road we expected to see some sign of fire, but nothing showed up. All at once the assured got terribly excited. By that time, we saw a house in the distance. A matter of a couple of hundred yards towards us from the house, right off the side of the road by a haystack, sat the car. There wasn't a sign of a fire at all. What had happened was that this man had taken everything removable off the car and pushed it up against the haystack. He had fired the haystack and left immediately for town. The haystack went out and didn't even scorch the car. You should have seen the expression on his face. Naturally, his insurance was canceled immediately.

“There is no reason why I should ever have to go through another depression period in my business. I think I have learned from the past how to guard against the same mistakes. I certainly hope so. No more wild goose chases from now on. The responsibility of a family and my obligations to my friends seem to have cured the “wanderlust spirit,” which reared its head at times.